SENATE DECIDES TO INVESTIGATE MR.STEPHENSON

He Is Eighty-two Years Old and Worth \$20,000,000.

READY FOR THE PROBE

Inside Facts of Wisconsin Politics Will Come Out.

The Quarrel Between La Follette and Stephenson Will Be Atred and the Case Will Prove Sensational-The Election Was State Wide and Not by the Legis-Inture-Interesting Gossip.

Senator Isaac Stephenson, of Wisconsin, eighty-two years old, worth \$20,-600,000, which fortune he accumulated in lumber, transportation, and banking, is to be the central figure in an investigation decided upon by the Senate yesterday. His election to the Senate as the result of a State-wide primary i to be probed. He is well-preserved takes a great deal of physical exercise. and is entirely willing to be investigated. He voted for the resolution which prooses an inquiry into alleged corrupt nurhods and practices.

ADOPTED UNANIMOUSLY.

The investigation is the result of a emorial from the Wisconsin legislature, which asked the Senate to take action. A subcommittee of the Commit-tee on Privileges and Elections, un-der the chairmanship of Senator Hey-burn, looked into the matter and yesterday made an exhaustive report promises to be instructive is as to just recommending an investigation of the charges. The resolution, which is in the language of the Lorimer resolution, the functions of the Lorimer resolution, the Lorimer resolution that the Lorimer resolution that the Lorimer case in the Lorimer case in that the Lorimer case in that the Lorimer case in that the Lorimer case in the Lorimer case in that the Lorimer case in that the Lorimer case in the Lorimer case cas agreed to unanimously, but later, when it was found that it made no provision for expenses, it was recalled and will be adopted again to-morrow. investigating committee will proband its personnel will be chosen from Senators Clapp, Subtriand, and its personnel will be chosen from Senators Clapp, Subtriand, Pradley, and Oliver, Republicans, and Paynter, Democrat, who are the memof the committee not engaged in the Lorimer case. There is one va-caccy on the committee, caused by the resignation of Senator Balley, Iemo-crat, a few days ago. The committee vill hold its meetings in Madison, Mil-vankee, and Duluth, and possibly in

Admits Spending \$100,000.

nator Stephenson, by his own swo idmits that he spent a little over \$100. admits that he spent a little over 100, 600 in the primary election, to secure the popular indersement as the Republican candidate for Senator, for the term beginning March 1, 126. He made a detailed statement of his expenditures, as the State law of Wisconsin requires, it was out of the primary fight that the charges grew which resulted in a demand for an investmenton by the Senate. enator La Foliette's followers in Wis-

had served two terms in the House. As the result of differences with some of o'clock this merning at his home in his peditical epiponents among the conservatives in Wisconsin, Mr. Stephenson made roumnon with Robert M. La Follette, and be is said to have given him material assistance in his fight for governor.

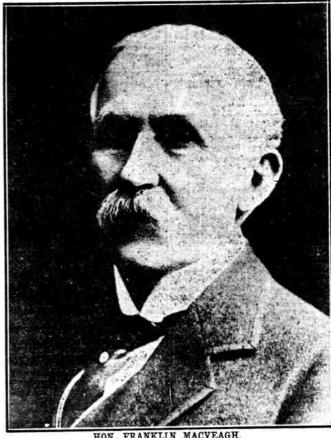
Follette's friends turned on him. The progressives byrught out candidates against Mr. Stephenson, but he carried on a vicorous fight and overwhelmed them. Charges of corruption followed, and Scantor La Follette's friends carried these into the legislature and secured the adoption of a memorial which has led to the Senate's action taken yesterday.

Inside History Coming Out.

There have been intimations by Senato Stephenson's friends that an investigation would disclose that Mr. Stephenso had spent more money in Wisconsin try-ing to advance Senator La Follette po-litically than Mr. Stephenson ever ex-pende in his own interest. It has been whispered around the Senate that Mr Stephenson has a lot of interesting cor respondence bearing upon his relations with his colleague, -d that some of this may come out in the course of the in-

bpccial to The Washington Herald.
Buffalo, N. Y., Aug. 12.—Representative
Hobson, of Alabama, original discoverer

FAVORS SUPERANNUATION SYSTEM.



HON. FRANKLIN MACVEAGH.

SURRENDER RIGHTS

Continued from Page One.

tte Presidential boom, and declined be-SENATE WILL NOT

lette Presidential boom, and declined because of the expenditure of funds that it would have entailed.

His friends say that as recently as the Chicage convention of 1988 Mr. Stephenson was called upon to pay the expenses of the La Follette headquarters in Chicago, and that he actually contributed a considerable sum toward deferring it. It is likely that the Stephenson investigation will be almost as exciting as the University of the watched with interest by national political leaders who have found Wisconsin politics something of an enigma.

Was a State-wide Primary.

Was a State-wide Primary. Another phase of the investigation that promises to be instructive is as to just the Lorimer case in that the chalges of corruption is made not against a legislature which elected Mr. Stephensen, but against the great Republican electors of the State of Wisconsin, the "plain people" who coted in the primary.

One of the strongest arguments ad-

ple" who voted in the primary.

One of the strongers arguments advanced in the Senate in favor of the direct election of Senators has been that the legislatures could be so easily corrupted, but that the voters at large, the "composite citizen," on whose virtues Senator Bourne dwelt so tenderly in his speech in the Senate recently, was above such sordid consideration.

DEATHS WITHIN MONTH.

Senator W. P. Frye, of Maine. Representative G. W. Kipp, of Pennsylvania.

Representative A. C. Mitchell, of Kansas.

Representative G. W. Gordon, of Tennessee.

Representative H. C. Louden stager, of New Jersey.

LOUDENSLAGER IS DEAD.

Representative Served New Jersey District Ten Consecutive Terms.

Camden, N. J., Aug. 12-Representativ Henry Clay Loudenslager died at 10:30

women on Jury Venire.
Tacoma, Wash., Aug. 12.—Thirty-four women are included in the venire of 129 jurors drawn for the September term of the Superior Court in this city.

unfinished business of the Senate on the motion of Senator Smoot. An amendment was offered to the bill by Senator Cummins, revising the metal schedule, and by Senator Overman, reducing the duties in the chemical schedule 25 per jurors drawn for the September term of the Superior Court in this city.

HOBSON IS NO LONGER

He Admits That Togo's Visit May Cement Peace Be-

tween the United States and Japan.

When asked about the probability of

AT WORK UPON FREE LIST BILL

Disagreement Will Be Reported to Both Houses.

VOTE TO-MORROW IN DOUBT

The Amendments Putting Lemon on the Free List and Limiting Free Trade in Meats and Cereals to Canada Are the Stumbling Blocks-Other Points Settled.

The tariff question will be a live issue before both Houses of Congress to-mor-row. The conferees on the free list bill decided yesterday afternoon to report a disagreement to the Senate on the House amendment putting lemons on the free list and the Kern amendment limiting free trade in meats and cereals with Canada

inst and the Kern amendment that the senate will vote on these two amendments either to recede from the Kern amendment and concur in the House amendment on lemons, or instruct the Senate conferees to insist that the Kern amendment remain in the bill and that the House recede from its amendment putting lemons on the free list.

Benator La Follette was absent from the meeting yesterday on account of a temporary illness. He was at the Senate early in the morning, but was compelled to go home before the conference committee met. The Senator from Wisconsin is very insistent that the Kern amendment remain in the bill, and that the lemon amendment, put in by the House, be stricken out. There was considerable speculation yesterday as to what the attitude of the Senate will be toward the reported disagreement. eported disagreement.

Changes in the Vote.

It will be recalled that the motion to teachers scrept the farmers' free list bill as it pension. came from the House failed on a tie vote.

accept the farmers' free list bill as it came from the House failed on a tle volusince then the Republicans have lost a seat in the Senate through the death of Senator Frys. This is a net loss of one if the governor of Maine should appoint Senvior Frye's successor in time to enable him to present his credentials and canada, employing close to 1,600,000 men, who pay out every year nearly \$1.000,000 to about 7,000 old and disabled employed make a net gain of one. This would have a deep some in that Commonwealth, with the credentials as Senator would be a very agreeable sensation to the Tense that they are not hoping for any, good luck. Meanwhile, it looks as if the semerats have lost one vote, due to the change in sentiment of Senator Simmonis, of North Carolina, who vote for the House free list bill on the previous vote, but will probably vote againt it on any future vote. If the Democrate should suddenly decide to reject the Kern amendment and concur in the House bill, it would be a stangerfing blow to expect the canadiant of the summer of Senator Balley, of Texas, by the Idemocrate of Loe Senate, and they have nove been entirely satisfied with the bargain. Even Senator Kern, author of the same dement, which limits free trade in measure with his own amendment at attached.

Pay Out Millions.

There are over twenty-five transportation companies in the United States and Canada, employing close to 1,600,000 men, who pay out every year nearly \$1.000,000 to about 7,000 old and disabled employees. This represents a rapid development, for it is only eleven years since the first railroad pension scheme main-directly by the railroad company then first railroad pension scheme main-directly by the railroad company the first railroad pension scheme main-directly by the railroad company the first railroad pension scheme main-directly by the railroad company the first railroad pension scheme main-directly by the railroad p be left by the proposed committee amendment the contracting parties would be absolutely helpiess in the event of one country contending that a dispute was arbitrable and the other that The proposed amendment affects only The proposed amendment affects only questions that come within Article I of the treaties—questions that are susceptible of settlement by the application of the principles of law and equity. These of course do not include questions of policy or diplomacy or national honor. They are to be submitted to the joint high commission of inquiry for investigation and recommendation but the findings of the commission in these cases.

The vote in the committee was amounted after the action of the committee was amounteed that there is no chance of the treaties being ratified at the present session. Some supporters of the administration were very much disheartened over the action of the committee and expressed a fear that the attempt to amend the treaties will be a very serious obstacle in the way of the arbitration movement.

A Campaign of Education.

That the administration who was added immitted free. This word was added immitted free the word "harvesters" to make sure that the implement according to the form of the committee was a first the word "harvesters" to make sure that the implement according to the form of the committee was a first the committee was a first the committee was announced that there is no chance of the committee was announced that there is no chance of the committee was announced that there is no chance of the committee was announced that there is no chance of the committee was announced that there is no chance of the committee was announced that the present specifies the committee was announced that the committee was announced that the present specifies the committee was announced that the present specifies were able yesterially to on a first the committee was announced that the present specifies and the committee was announced the committee was announced the committee was announced the committee was announced to be admitted the committee was announced the committee was announced to be admitted to the committ It is understood that the administration will make no effort now to have the treaties ratified at the present session. In fact, President Taft and his supporters will undoubtedly urge nonaction with a view to carrying on a campaign of education on this subject within the next few months.

The Senate in executive session yesterday afternoon considered the advisability of debating the treaties in open session. No decision was reached, but the impression seemed to prevail that the debate should be behind closed doors.

Knox Declines to Comment.

Secretary Knox and other officials of Secretary Knox and other officials of Secretary Knox and other officials of the State Department declined to comment last night on the action of the Senate committee. Obviously, it is uncertain at this time just what will be the result so far as England and France are concerned if the Senate accepts a

Mr Siephenson purchased a daily newspaper in Milwaukee, and its said to have apper in Milwaukee, and in Milwaukee, and its said to have apper in Milwaukee, and its said to have appered in Milwaukee, and its said to have a constitute. And it is said to have a constitute, the first said in the formal in the first said in same he has offered heretofore. Senator Overman, of North Carolina, offered an amendment making a complete revision of the chemical schedule. His amendment changes specific to ad valorem duties, and proposes a reduction of 25 per cent all along the line. The Senate yesterday agreed to make the cotton bill the unfinished business. In the House there was considerable discussion on the point whether the House should vote first upon the adoption of the conference report on the wool bill or whether that duty devolved on the Senate. It was finally decided that the House should act first, and to-morrow the vote will be taken. It is generally understood that the House will agree to the report and send the bill to the Senate, where it is expected that it will be promptly agreed to and then be sent to the Presidents.

The leaders in the House and Senate were saying yesterday that they were still confident of an adjournment not later than next Saturday night, and probably as early as Thursday. The cotton bill is the disturbing factor. It is expected that the President's veto, if promptly communicated to Congress, will put an end to the consideration of the cotton bill and expedite adjournment.

AGREE ON PUBLICITY BILL.

IN A WARLIKE MOOD

CLERKS' PENSION BILL WILL PASS

Continued from Page One.

1871, a similar fund was started for mem bers of the fire department. Police and diremen pension funds are now main-tained in nearly a hundred cities in about thirty States. The prime motive in establishing these pension funds was undoubtedly the extra hazardous nature of the occupation. It is for the same reason that the number of years' service required to entitle one to a pension is required to entitle one to a pension is comparatively small, ranging from fifteen to twenty-five years. These funds also pay pensions on retirement for disability. In a very few cases the cities themselves contribute nothing to these funds, while in half the number the entire expense is borne by the city. In those cases where the employes do not contribute directly to the fund, they generally maintain mutual benefit associations, and pay in either event from one-half of 1 per cent to 2½ per cent of their salary, ordinarily about 1 per cent. The annuity paid is commonly one-half of the salary.

"Teachers' pension funds are comparatively of recent origin. The government

the salary.

"Teachers' pension funds are comparatively of recent origin. The government builetin published a year and a half ago shows forty-six auch funds in operation. There is the greatest possible variety in the way these funds are acquired, and in the conditions and regulations under which they are operated. No two are exactly alike, except possibly within the same State. In seven cases the teachers bear none of the expense, while in nine they hear it all. In some the State pays the annulties while in other cases the cities pay them. In the majority of the systems teachers contribute from 1 to 2 per cent of their salary for a period of about thirty years, and the State or city helps bear the expense. Both age and disability pensions are generally paid. Some of the annuities are meager, while others are liberal. In quite a number of cases male teachers are required to teach five years longer than female paid. Some of the annuities are measer, while others are liberal. In quite a number of cases male teachers are required to teach five years longer than female leachers to become entitled to the ago

that nothing was returned in case an employe died or resigned before reaching retirement. The last law of 1969 extends the benefits of the pension fund to those who resign and to the dependents of those

service retirement systems running back over fifty years, and have changed the systems seven times. New South Wales maintained a pension system pure and simple for thirty years, and then changed to the contributory plan, each employe paying 4 per cent of his salary.

"This system soon proved insolvent because the younger clerks were paying the pensions of the older ones, and was aboilished, and a compulsory endowment insurance law enacted, which is still in force.

Law in New Zealand.

Law in New Zealand.

"New Zealand started with a straight pension law but, finding it expensive, abolished it for all thereafter entering abolished it for all thereasts the civil service; then came a compul-sory savings scheme, and later a com-pulsory life insurance law. Both proved pulsory life insurance law. Both proved inadequate for superannuated employes, and in 1907 a pension law was passed requiring contributions from all employes of from 5 to 10 per cent of the salary, dependent on age at time of entering the service. This law is not expected to make a self-supporting fund, and the government contributes what is necessary to pay all pensions in full.

"Reference might be made to the civil bension system in force in Continental Europe, but the experience of English speaking countries teaches plainly the best course for the United States to pursue. A fair system can be devised which will in time become self-sustaining."

STARTS IN SOUTH The Senate, on motion of Senator Reed Smoot, yesterday elected Senator A. O. Bacon, of Georgia, as president pro tem. of the Senate for the session to-morrow. States Senate on the British and French treaties. Gramming is not very enthusiastic over arbitration, and will hardly accept a treaty upon which the final decision rests on the good will of the American Senate. UNDERWOOD BOOM

Birmingham, Ala., Aug. 12—A boom for Oscar W. Underwood, for the Democratic nomination for President was formerly launched here to-day, when a committee of representative citizens was selected to foster the boom. This committee will be augmented immediately with citizens from all over the State and neighboring States, and the Middle West. Then a general executive committee will be selected, charged with the duty of bringing Underwood's candidacy before the various State delegations with with its collearing, —d that some of this may come out in the course of the inmay come out in the course of the inmay come and in the course of the inmay come and in the course of the inmean of this talk have declared that that
was only an additional reason for themean additi

STEEL INVESTIGATION ENDS UNTIL OCTOBER

Recommendations of Reductions in Rates of Iron and Steel Schedules Will Be Made.

will be made for a reduction of the rates in the iron and steel schedules of the tariff law. This feature of the report will at once be referred to the Committee on Ways and Means, which is expected to present early in December a bill recommending changes in the iron and steel schedule.

From the day that Judge E. H. Gary announced before the committee that he favored closer governmental supervision of corporations, going as far, it possible, as the fixing of prices by some Federal body, the steel committee has de-

The special committee of the House of Representatives that is now making an inquiry into the operations of the United States Steel Corporation yesterday took an adjournment until October 16. On that date the committee will reassemble in Washington and resume its public hearings. In the meantime, Representative Augustus O. Stanley, of Kentucky, chairman of the committee, will remain in Washington collecting data for use in connection with the examination of witnesses in the fail.

It is the expectation of Representative Stanley and his associates that the committee will make its peport to the House early in December. Recommendations will be made for a reduction of the rates in the iron and steel schedules of the tariff law. This feature of the report will at once be referred to the Committee on Ways and Means, which is expected to present early in December a bill recommending changes in the iron and steel schedule.

From the day that Judge E. H. Gary

denial of the so-called Townsen repor-upon that organization. The statement, covering twenty printed pages, says, in part:
"Nearly every important statement of fact relating to the purpose of the in-vestigation is either grossly inaccurate or entirely untrue."

The International Company asserts that outside of the harvester line it has not

ble, as the fixing of prices by some Federal body, the steel committee has devoted particular attention to this question. This subject will be discussed in the Stanley report, and it is the general expectation that is a result an inquiry will be authorized into commercial and industrial conditions with a view of legislation in amendment of existing antitrust acts.

Chairman Stanley announced yesterday that practically all of the public hearings in the fall will be staged in Washington. It is possible that the committee may make one trip to New York

DISTRICT BILLS MAY BE HELD UP

Get Right of Way.

difference. In most of them retirement is compulsory at seventy years of age. In the compulsory at seventy years of age. In the graph of the contribute of forty-flve to forty-flve years of age. The pension paid varies according to salary or wages and length of service. The railroads prefer to bear in the being and three years later a superannuation act was passed. This was to some extent a straight pension system. While the clerks contributed at first from the limit of the pays and the government paid the difference. No return was made of any agreemants in case of death or resignation before reaching the pensionable age. "A political issue arose over the way in which the party in power executed the law, that became very day for which Chairman Johnson, at the brought the present party into power. A new law was enacted in 1835 the providing for a flat rate of assessment of 5 per cent on all railaries, and each employe gets back, with 4 per cent therest, all the pays in. This is not enough to but yet and the pays in. This is not enough to buy an adequate annuity for the older clerks, as the government contributes in the pays in. This is not enough to buy an adequate annuity for the older clerks, as the government contributed at the rest.

The rare Congressional sport of shunting as the business of the House. To-morrow is one of the Poistrict days, set added by the rules of the House. To-morrow is death of the result of the House. To-morrow is death of the result of the House. To-morrow is death of the result of the House business in the calendar which was scheduled by the rules of the House. Business in the precision of the Senate Committee on Porteins and the event of the result of the provision of the point high commission to arrively dependent of the provision of the point high commission to arrively dependent of the provision of the point high commission to arrively dependent of the point high commission to arrively dependent of the point high commission to arrively dependent of the point high commission to ar

the disbandment of the National Monetary Commission on December 5 next, following the submission of a report by
the commission on December 4, as required in the bill.
A request for unanimous consent to a
type on Monday was made to-day by
Senator Burton, of Ohio, who has been
opposing the Cummins bill. The author
of the measure announced that it would
be satisfactory to him, and the order
was entered. Mr. Burton gave notice
that he would expect to have general debate precede the taking of the vote on
Monday, and said he (Mr. Burton) had
several arguments yet to submit, show
ing why it would be unwise to require a
report by December 4 instead of January
10, and also why it would be a mistake
to disband the commission and largely
lose the valuable work they had prepared
in laying the foundation for needed financiaj legislation.
Frank P. Flint, former Senator from
California, wired to Vice President Sherman, from his home in Los Angeles. Cal

California, wired to Vice President Sher-man, fom his home in Los Angeles, Cal., resigning as a member of the National Monetary Commission. He assigned no Monetary Commission. He assigned no reasons, but it is supposed to be due to the recent criticism heaped upon the commission for alleged extravagance. Senator Bailey, of Texas, resigned from the commission Friday.

AX ON TREATIES DISAPPOINTS TAFT

Wool Conference Report to Vital Paragraph Excluded, Says the President.

to buy an adequate annuity for the older clerks, as the government contributes nothing, and the law on that account is not generally satisfactory.

Changes in England.

The first general pension law in Great Britain was passed in 1810 and was a straight government pension system. It proved very expensive, and in 1822 was abolished, and employes were compelled to contribute.

This new law lasted only two years, and was followed by another period of free pensions, which in turn was soon succeeded by a law compelling contributions. The main objection to this was that nothing was returned in case an employe died or resigned before reaching retirement. The last law of 1609 extends who deep mensions of those who resign and to the dependents of those who deep the services are firsteen bills on the House are House of the services and was followed by an law compelling contributions. The main objection to this was that nothing was returned in case an employe died or resigned before reaching retirement. The last law of 1609 extends who deep the services who deep the services who deep the services and the dependents of those who resign and to the dependents of those who resign and to the dependents of those who creament the services are the services of the servi

to Cummins Bill.

The Senate has agreed to vote to-mortous at 1:5 p. m. on the Cummins bill for the disbandment of the National Monetary Commission on December 5 next, following the submission of a report by the commission on December 5 based. The President studies the symmular meager press information concerning the wool agreement this afternoon. It is understood that 25 per cent wool, or at least the haphazard way in which the rates are fixed in the agreed bill, is not to Mr. Taft's liking, and he will let the

to Japan
The information is given out that negoldations between Germany and the
United States on arbitration are atili
proceeding. Germany, however, is too usy at present with affairs in States.

States.

The German foreign office, however, is following with the closest attention the result of the decision of the United States Senate on the British and French treaties.

SOCIALISTS TO FIGHT